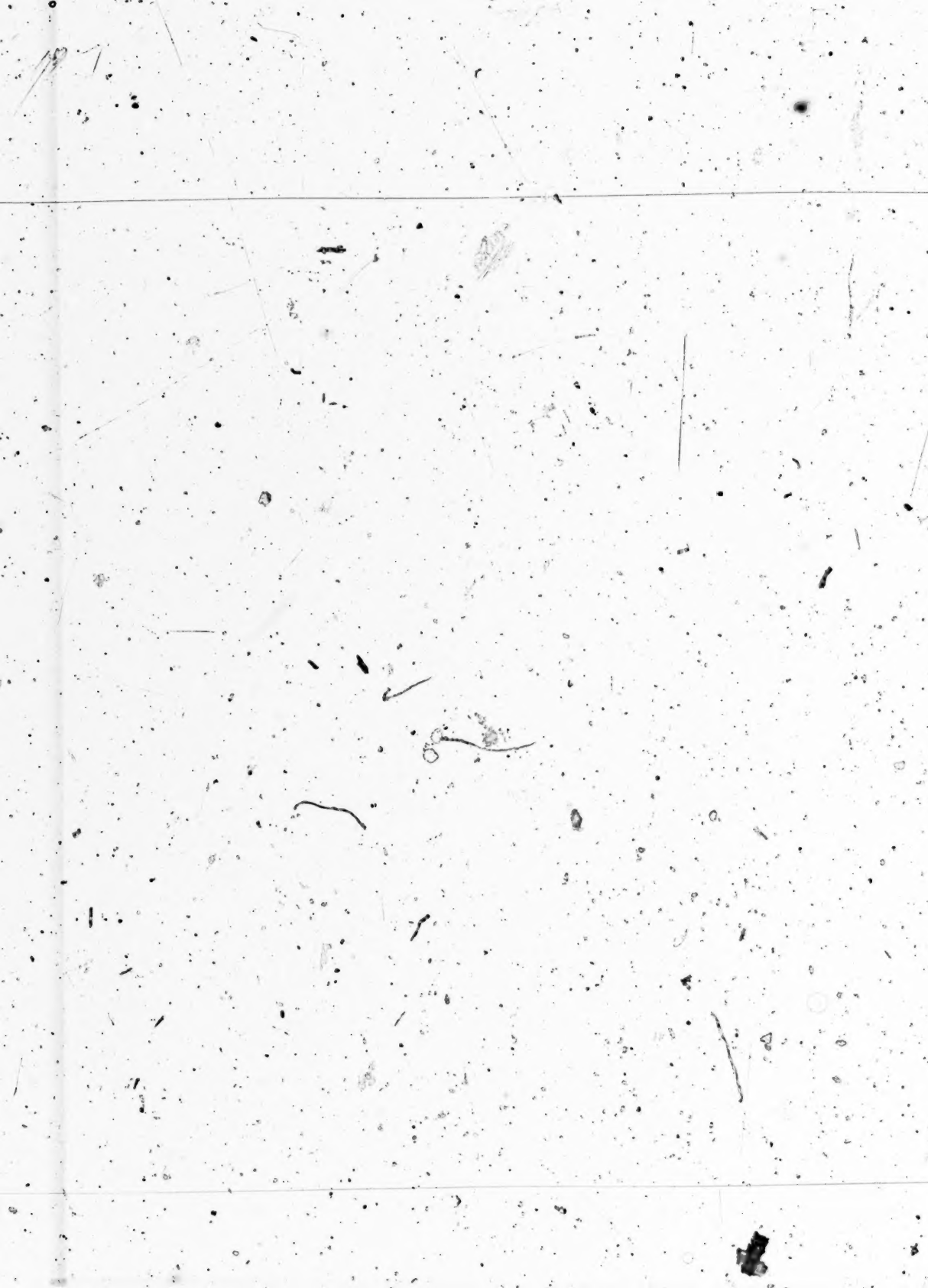

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In the Supreme Court
OF THE
United States

OCTOBER TERM, 1969

No. 1499

JACK ST. CLAIR KILBY, *Petitioner*

v.

ROBERT N. NOYCE, *Respondent*

On Petition for a Writ of Certiorari to the United States Court of Customs and Patent Appeals

BRIEF FOR RESPONDENT IN OPPOSITION

OPINIONS BELOW

The opinion of the Court of Customs and Patent Appeals (hereinafter the CCPA) is reprinted in Appendix B of the petition (hereinafter Appendix B). The CCPA decision is also reported at 416 F.2d 1391 (C.C.P.A. 1969). The decision of the Board of Patent Interferences is reprinted in Appendix D of the petition.

JURISDICTION

Jurisdictional requisites are adequately set forth in the petition.

QUESTION PRESENTED

Respondent believes that petitioner's statement of the questions presented does not fairly frame the issue to be decided by this Court and submits the following as a more accurate statement:

> Whether the CCPA erred in its unanimous decision that petitioner's patent application did not support issuance of a patent for the invention in question, where that decision was based on its conclusion that the Patent Office had applied an incorrect legal standard and where the relevant facts of record consisted solely of documentary evidence?

STATUTORY PROVISIONS INVOLVED

In addition to the statutory authorities and Federal Rules cited by petitioner, respondent believes that in pertinent part the following statute is involved:

5 U.S.C. § 706:

> "To the extent necessary to decision and when presented, the reviewing court shall decide all relevant questions of law, interpret constitutional and statutory provisions, and determine the meaning or applicability of the terms of an agency action. . . ."

STATEMENT OF THE CASE

This patent interference case involves the narrow legal issues of the proper interpretation of petitioner's application for a patent and the sufficiency of that application to support the issuance of a patent.

Respondent contends that he is the first inventor of a microminiaturized, complex semiconductor device with electrical interconnections adherent to the surface of an integral oxide layer. He filed an application for a patent on that invention July 30, 1959 and received U.S. Patent No. 2,981,877 (hereinafter the '877 patent) on April 25, 1961.

A representative claim in the patent describes the invention as:

> "1. A semiconductor device comprising a body of semiconductor having a surface, said body containing adjacent P-type and N-type regions with a junction therebetween extending to said surface, two closely spaced contacts a [sic] adherent to said surface upon opposite sides of and adjacent to one portion of said junction, an insulating layer consisting essentially of oxide of said semiconductor on and adherent to said surface, said layer extending across a different portion of said junction, and an electrical connection to one of said contacts comprising a conductor adherent to said layer, said conductor extending from said one contact over said layer across said different portion of the junction, thereby providing electrical connections to both of the closely spaced contacts." (R-68)[1]

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[1] All references to the printed record of this case before the CCPA are referred to by the letter "R" followed by the page number or numbers.

Petitioner filed a patent application on February 6, 1959, Serial No. 791,602 (hereinafter the '602 application) in which he showed no conductor adherent to the insulating layer, as required by respondent's claim, but instead gold wires extending above the surface of the device between the electrical contacts. The application included a brief statement that:

> "Gold wires 70 were then thermally bonded to the appropriate areas to complete the connections and a final clean-up etch given. Instead of using the gold wires 70 in making electrical connections, connections may be provided in other ways. For example, an insulating and inert material such as silicon oxide may be evaporated onto the semiconductor circuit wafer through a mask either to cover the wafer completely except at the points where electrical contact is to be made thereto, or to cover only selected portions joining the points to be electrically connected. Electrically conducting material such as gold may then be laid down on the insulating material to make the necessary electrical circuit connections." (R-86)

On January 29, 1962, approximately eight months after respondent's patent issued, petitioner filed a continuation-in-part of the original patent application, Serial No. 169,557 (hereinafter the '557 application). This application is found in the record beginning at page 4. There petitioner added substantially to the description of the invention as set forth in the '602 application and increased the number of figures. These changes were made with the benefit of having respondent's '877 patent (which had issued eight months earlier) before him. Understandably,

petitioner's revised specification and drawings were made to conform very closely to respondent's patent.

Upon failure to prove any actual dates of invention prior to the respondent's filing date, petitioner voluntarily elected to rely upon the filing date of his '602 application for proof of priority in the interference. He was thus forced to rely for support solely upon his sketchy description, set forth above, from the '602 application.

The sole issue in the interference, as framed before the CCPA, was whether, as a legal matter, petitioner's '602 application contained a sufficient description of the invention in question to support the eventual issuance of a patent. There was no dispute before the CCPA as to any facts. The Primary Examiner had resolved the question of support in favor of petitioner, but did not state the reasons for his finding. The Board of Patent Interferences also found in favor of petitioner, giving its reasons.

On appeal, the CCPA reversed the Board of Patent Interferences, stating that the Board's reasons had been "clearly in error." The CCPA also stated that no particular significance should be attached to the fact that like decisions had been made by the Patent Office tribunals, because the Primary Examiner had failed to state any reasons for his finding, and the Board's application of the law was wrong for the reasons which the CCPA set forth.[2]

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[2]Petitioner's incomplete quote on page 14 of the petition is misleading because petitioner did not include the CCPA's reasons for so finding (which immediately followed the selected quote).

Petitioner now raises the question of whether the CCPA had the right to overrule administrative findings of lower tribunals. Petitioner contends: (1) a conflict exists between the legal standard used by the CCPA in reviewing Patent Office decisions and the legal standard which might have been used by the District Court and the Court of Appeals for the District of Columbia had the case taken the alternative trial de novo route; (2) the only standard to be used by the CCPA is the "clearly erroneous" standard because there was no new evidence before it that was not before the Patent Office; and (3) this Court has not had an opportunity to review an *inter partes* interference decision of the CCPA since passage of the Patent Act of 1952.[3]

Respondent will demonstrate that: (1) the legal standard to be used by the CCPA is no different from that of any other appellate court reviewing decisions of lower tribunals, and is not always the "clearly erroneous" standard; (2) even if the "clearly erroneous" standard were the proper one, the CCPA indeed correctly applied such a standard in this case; and (3) no special or important question has been raised by petitioner that would be of such significant public interest as would justify review on writ of certiorari by this Court.

[3]This Court has, however, declined such opportunities in the past in petitions for review on writs of certiorari in *inter partes* interference cases from the CCPA. See Knowles v. Tibbetts, 347 F.2d 591 (C.C.P.A. 1965), *cert. denied*, 383 U.S. 927 (1966); and Switzer et al. v. Sockman et al., 333 F.2d 935 (C.C.P.A. 1964), *cert. denied*, 380 U.S. 906 (1965).

ARGUMENT FOR DENYING THE WRIT

I. PETITIONER'S CONFLICT BETWEEN COURTS ARGUMENT IS SPECIOUS

The present case involves no conflict of decision and presents no important Federal questions. The sole issues are whether the CCPA properly interpreted petitioner's application for a patent and if so interpreted, whether that application was legally sufficient to support the issuance of a patent—narrow questions of law limited in significance to the particular involved patent application for a specific invention. These issues have no significance upon the proper enforcement of the patent laws, the proper operation of the Patent Office, or the proper judicial review of Patent Office decisions. In no way does this case warrant review by this Court on certiorari.

Petitioner argues that a different "legal principle" might have been applied had the case taken the prescribed alternative appeal route by trial de novo in the District Court. Apparently the thrust of his argument is that the CCPA herein failed to follow *Morgan v. Daniels*, 153 U.S. 120 (1894) and that a District Court would have been required to do so. These arguments are without merit. Petitioner's only claim to error appears to be the bare fact that the Patent Office was reversed by an appellate court.

The rules governing an appellate court in reviewing Patent Office decisions—whether the CCPA or a District Court—are no different from the rules in any other cases. If, after reviewing the record before the Patent Office, the CCPA (or any District Court hav-

ing jurisdiction) finds *either* that the Patent Office has not applied proper principles of law to the facts before it, or that such fact findings themselves are clearly in error, the CCPA (or such other court) may properly reverse, and often has reversed, consistent decisions of Patent Office tribunals in *inter partes* interference proceedings.[4]

II. THE CCPA DID NOT HOLD IN CONTRAVENTION OF MORGAN V. DANIELS OR BRENNER V. MANSON

A. The "clearly erroneous" standard in Morgan and Brenner is not applicable when the issue is solely one of law.

This Court in *Morgan v. Daniels*, 153 U.S. 120 (1894) specifically limited its holding to *questions of fact*. It was called upon to resolve conflicting testimony on priority of invention. The outcome heavily depended upon which witness was to be believed. The Patent Office decision was upheld because this Court felt that such a decision should be given heavy weight before the Circuit Court of Appeals on issues of fact:

> ". . . where the question decided in the patent office is one between contesting parties as to priority of invention, the decision there made must be accepted as controlling *upon that question of fact* in any subsequent suit between the same parties, unless the contrary is established by testimony which in character and amount carries thorough conviction." *Id.* at 125. (Emphasis added.)

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[4] Paivinen v. Sands, 399 F.2d 697 (C.C.P.A. 1968); Sockman et al. v. Switzer et al., 379 F.2d 996 (C.C.P.A. 1967); McCutchen et al. v. Oliver, 367 F.2d 609 (C.C.P.A. 1966); McIntyre v. Dodge, 29 F.2d 861 (D.C. Cir. 1928); Steenstrup v. Morton, 30 F.2d 867 (D.C. Cir. 1929).

Similarly, *Brenner v. Manson*, 383 U.S. 519 (1966) also covers the weight to be given the lower court on an issue of fact. That issue, however, was a secondary tangential issue in the case. The primary issue was a dispute of law between the Patent Office and the CCPA over what constituted proper utility in chemical process patents. Petitioner apparently fails to distinguish this primary issue, on which the Patent Office and the CCPA disagreed, from the secondary issue upon which he relies herein, on a fact on which there was *no dispute* between the Patent Office and the CCPA. As this Court commented:

> "Even on the assumption that the process would be patentable were respondent to show that the steroid produced had a tumor-inhibiting effect in mice, we would not overrule the Patent Office finding that respondent has not made such a showing . . . In these circumstances and in this technical area, we would not overturn the finding of the Primary Examiner, affirmed by the Board of Appeals *and not challenged by the CCPA*." *Id.* at 531-532. (Emphasis added.) (Footnotes omitted.)

Although applicable in the *Brenner* and *Morgan* cases to issues of fact, the "clearly erroneous" rule is not applicable to issues of law. Section 706 of Title 5 U.S.C. defines the scope of judicial review of administrative action:

> "To the extent necessary to decision and when presented, the reviewing court shall decide all relevant questions of law, interpret constitutional and statutory provisions, and determine the meaning or applicability of the terms of an agency action. . . ."

Rulings *of law* made by the Patent Office—an administrative agency—are fully reviewable, free from any "clearly erroneous" standard. *Stieg v. Commissioner of Patents*, 353 F.2d 899 (D.C. Cir. 1965).

The sole issue raised before the CCPA in the case at bar was one of law: whether the earlier-filed Kilby application met the legal requirements to support the counts in the interference. The legal criterion was set forth in the body of case law quoted by the CCPA in its decision herein:

> "The criterion for determining whether an application supports a count is whether the 'necessary and only reasonable construction' to be given the disclosure by one skilled in the art is one which provides such support. *Binstead v. Littmann*, 44 CCPA 839, 242 F.2d 766, 113 USPQ 279 (1957). That requirement is the same where one relies on the earlier application for support in order to obtain the benefit of its filing date as where support in an application directly involved in interference is in issue. See *Guyer v. Cramer*, 50 CCPA 1386, 318 F.2d 757, 138 USPQ 125 (1963). The burden on one copying a claim from a patent was recently summarized in *Gubelmann v. Gang*, 56 CCPA 1013, 408 F.2d 758, 161 USPQ 216 (1969), as follows:
>
> > One copying a claim from a patent has the burden of showing that his application clearly supports the count. In determining applicant's right to make a copied claim, all limitations in the claim will be considered material and doubts arising as to such right must be resolved against the copier. Where support must be based on an inherent disclosure, it is not suffi-

cient that a person following the disclosure might obtain the result set forth in the count; it must invariably happen. See *Smith v. Wehn*, 50 CCPA 1544, 318 F.2d 325, 138 USPQ 52, and *Dreyfus and Harrison v. Sherman*, 53 CCPA 1050, 357 F.2d 411, 149 USPQ 63. Petition, Appendix B, page 13a.

Concluding that this proper legal criterion was not used by the Patent Office when it found petitioner's '602 application sufficient to support respondent's claims, the CCPA did exactly what it was supposed to do—it reversed the Patent Office.

B. The "clearly erroneous" standard is not applicable when the only evidence submitted is documentary.

Petitioner (petition, pages 14-15) has cited Rule 52 of the Federal Rules of Civil Procedure in support of his proposed "clearly erroneous" test. However, the cases under Rule 52 hold that lower court findings, based solely upon documentary evidence, are not entitled to the same degree of conclusiveness on an appellate court as if the finding had been based on oral testimony. *Best Medium Publishing Co. v. National Insider, Inc.*, 385 F.2d 384 (7th Cir. 1967), *cert. denied*, 390 U.S. 955 (1968).

The only evidence before the Patent Office, in the case at bar, consisted of documents (including depositions, affidavits, patent applications, and issued patents). There was never an opportunity for the Board of Patent Interferences to observe the demeanor of witnesses (that is not permitted by interference practice). The Board's decision was based

solely on documentary evidence submitted by the parties, including the Noyce patent, the Kilby '602 application, the depositions of expert witnesses, and various publications and patents. These very same documents were before the CCPA on appeal.

The CCPA is charged by statute with the appellate review of decisions of the Patent Office. It must therefore be—and indeed is—fully capable of interpreting patent applications and of construing claims. The CCPA who rendered the decision below included judges who are expert in the patent field, either as university instructors in patent law or as patent law practitioners. Therefore the CCPA is well qualified to interpret the same documents which were before the Patent Office.

For the above reasons, the "clearly erroneous" test of Rule 52 is not applicable.

III. EVEN WHEN IT APPLIED THE "CLEARLY ERRONEOUS" STANDARD, THE CCPA CORRECTLY FOUND THE PATENT OFFICE TO HAVE BEEN CLEARLY IN ERROR.

Even though the CCPA is not required to apply as strong a standard as "clearly erroneous" in this case for the reasons set forth above, the CCPA did indeed find the Patent Office to have been clearly in error. Its opinion states very plainly:

> "The analysis by which the board reached its conclusion is considered to be clearly in error for the reasons already pointed out." Petition, Appendix B, page 17a.

CONCLUSION

The CCPA unanimously concluded that the Patent Office had erred in finding that the proper construction to be given petitioner's patent application required petitioner's interconnections to be adherent to the underlying oxide layer. The only issue before this Court is whether the CCPA's reversal, based upon the very same facts and documents as were before the Patent Office, was capricious, arbitrary, or clearly erroneous.

Respondent therefore respectfully urges this Court to deny the petition for review on writ of certiorari to the Court of Customs and Patent Appeals.

Respectfully submitted,

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